

Gross Domestic Product, 2013

Final estimates for 2012 and semi-final estimates for 2013

Tirana, May 29, 2015: INSTAT presents to users final annual results of Gross Domestic Product (GDP) for the year 2012 and semi-final results for the year 2013 according to NACE Rev 2.

In this publication, National Accounts will present for the first time GDP data for the years 2011-2013 according to the Nomenclature of Economic Activities, NACE Rev. 2. After the introduction of the new classification in all business and employment statistics, national accounts statistics were the last statistical domain implementing the new classification. Classifications updates are important to make indicators more useful to users, to reflect economic developments and to improve the comparability of data between EU countries. Actually, GDP is presented in 35 economic activities, being more detailed in the field of services. In the next month, INSTAT is going to complete the entire system of national accounts according to the new classification NACE Rev. 2, being completed with previous annual and quarterly series of GDP indicators, Regional Accounts and Supply and Use Table. For more information see information for users in page 7.

According to data on annual basis, GDP at current prices was estimated ALL 1,350,555 million (EUR 9.6 billion) in the year 2013 and ALL 1,332,811 million (EUR 9.5 billion) amounted in the year 2012.

In year 2013, GDP in nominal terms (in value) increased by +1.33 %.

During year 2013, Albanian economy performed a real GDP growth rate by +1.11 % (in volume) compared with year 2012, after a growth of +1.42 % in year 2012 compared with year 2011. Gross Domestic Product deflator was +0.2 %. Based on these results, GDP per capita in the year 2013 amounted to ALL 466 thousand (or EUR 3,330) from ALL 460 thousand (or EUR 3,276) in year 2012.

According to GDP *by production approach*, real growth rates for the main economic activities in 2013 were: *Agriculture, hunting and forestry* by +0.67 %, *Industry and Construction* by +2.7 % and *Services* by +0.3 %. *Services* continue to represent the main share in the economy for year 2013, by 44.6 % of GDP, followed by *Industry and Construction* 23.0 % and *Agriculture, hunting and forestry* with 19.6 %.

According to GDP *by expenditure approach*, *Final Consumption* in 2013 had the main share in the economy with 88.93 %. It realized an increase by +1.86 % in nominal terms and +1.6 % in real terms. Gross capital formation constitutes 25.92 % of GDP and decreased during year 2013 by -2.1 % in real terms compared with

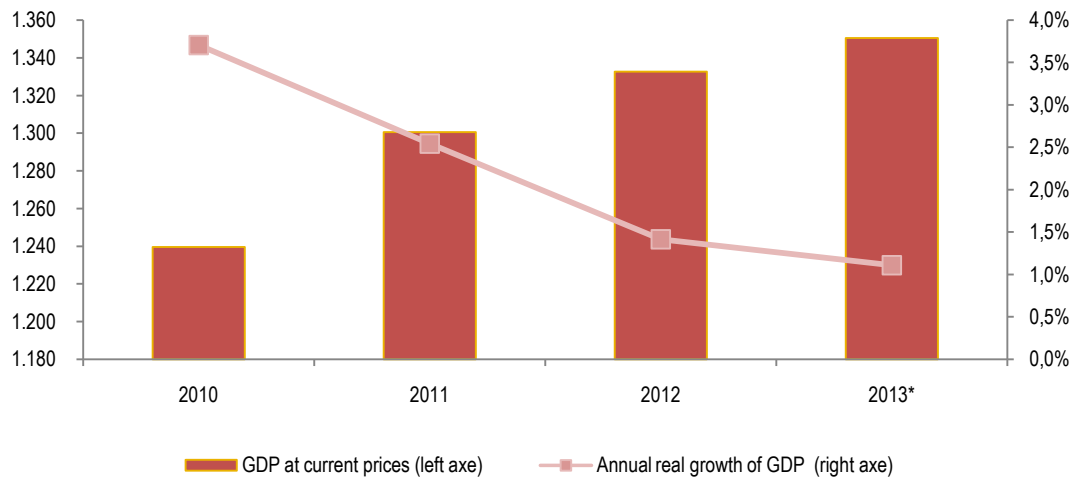
the year 2012. *Exports of goods and services* increased by +18.03 % compared with 2012, while *Imports of goods and services* grew at a rate of +4.24 %.

Tab.1 Main macroeconomic indicators (2012-2013 me at current prices)

Indicators		Years	
		2012	2013*
Gross Domestic Product at current prices (in ALL millions)		1,332,811	1,350,555
Gross National Income (in ALL millions)		1,322,728	1,353,368
Annual real growth of GDP at constant prices compared to previous year (in %)		1.42	1.11
GDP deflator (in %)		1.0	0.2
Average annual population (in thousand inhabitants)		2,900	2,897
Gross Domestic Product per capita	In ALL thousand	460	466
	EURO	3,276	3,330
	USD	4,349	4,419

2013* Semi-final data

Fig 1. GDP and real growth rate, 2010-2013



Tab.2 Nominal growth rates and structure of GDP at market prices, 2012-2013

A35	Economic Activities NACE Rev. 2	Values at current prices (In ALL millions)		Nominal growth rate (%)	GDP structure (%)	
		2012	2013*	(2013/2012)	2012	2013*
A1	Agriculture, forestry and fishing	250,126	265,147	6.0	18.8	19.6
A2	Mining and quarrying	60,195	66,622	10.7	4.5	4.9
A3	Manufacture of food products, beverages and tobacco products	10,197	9,360	-8.2	0.8	0.7
A4	Manufacture of textiles, wearing apparel and leather products	17,446	19,347	10.9	1.3	1.4
A5	Manufacture of wood and paper products, and printing	6,286	5,213	-17.1	0.5	0.4
A6	Manufacture of coke and refined petroleum products	(2,140)	(231)	-89.2	-0.2	0.0
A7	Manufacture of chemicals and pharmaceutical products	1,679	1,610	-4.1	0.1	0.1
A8	Manufacture of rubber and plastic products and other non-metallic mineral products	11,384	11,703	2.8	0.9	0.9
A9	Manufacture of basic metals and fabricated metal products, except machinery	10,726	12,287	14.6	0.8	0.9
A10	Manufacture of machinery and equipment	1,522	1,887	24.0	0.1	0.1
A11	Other manufacturing; repair and installation of machinery and equipment	4,400	4,518	2.7	0.3	0.3
A12	Electricity, gas, steam and air-conditioning supply	22,298	27,795	24.7	1.7	2.1
A13	Water supply	4,953	5,054	2.0	0.4	0.4
A14	Sewerage, waste management and remediation activities	4,720	4,970	5.3	0.4	0.4
A15	Construction	151,793	140,556	-7.4	11.4	10.4
A16	Wholesale and retail trade and repair of motor vehicles and motorcycles	7,907	7,620	-3.6	0.6	0.6
A17	Wholesale trade, except of motor vehicles and motorcycles	83,543	85,237	2.0	6.3	6.3
A18	Retail trade, except of motor vehicles and motorcycles	52,120	54,228	4.1	3.9	4.0
A19	Land transport and transport via pipelines	26,637	22,120	-17.0	2.0	1.6
A20	Water transport; air transport; warehousing	24,199	17,214	-28.9	1.8	1.3
A21	Postal and courier activities	5,333	4,666	-12.5	0.4	0.3
A22	Accommodation; food and beverage service activities	24,533	23,079	-5.9	1.8	1.7
A23	Publishing, audiovisual and broadcasting activities	10,924	9,895	-9.4	0.8	0.7
A24	Telecommunications	27,249	24,807	-9.0	2.0	1.8
A25	Computer programming and related activities; information service activities	3,561	2,500	-29.8	0.3	0.2
A26	Financial and insurance activities	32,133	30,359	-5.5	2.4	2.2
A27	Real estate activities	79,883	86,402	8.2	6.0	6.4
A28	Legal and accounting activities; management; architectural and engineering activities	22,144	24,022	8.5	1.7	1.8
A29	Scientific research and development; other professional, scientific, technical activities	6,124	5,527	-9.7	0.5	0.4
A30	Administrative and support service activities	23,578	30,011	27.3	1.8	2.2
A31	Public administration and defence; compulsory social security	53,716	54,086	0.7	4.0	4.0
A32	Education	57,694	61,256	6.2	4.3	4.5
A33	Human health and social work activities	33,255	34,893	4.9	2.5	2.6
A34	Arts, entertainment and recreation	11,809	10,080	-14.6	0.9	0.7
A35	Other service activities; activities of households	12,818	14,431	12.6	1.0	1.1
	GVA at basic prices	1,154,747	1,178,271	2.0	86.6	87.2
	Taxes on product	179,559	175,651	-2.2	13.5	13.0
	Subsidies on products	(1,494)	(3,368)	125.4	-0.1	-0.2
	GDP AT MARKET PRICES	1,332,811	1,350,555	1.33	100.0	100.0

2013* Semi-final data

Tab.3 GDP at current prices, previous year prices and real growth, 2012-2013

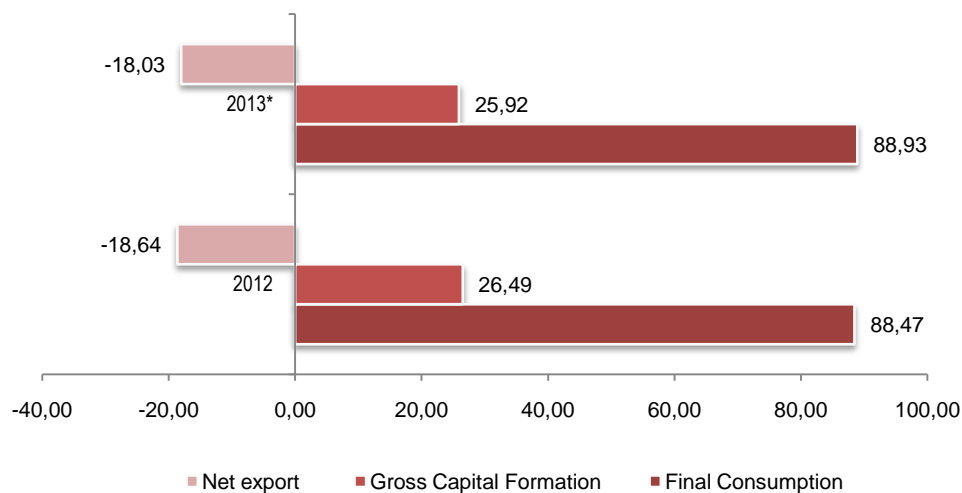
A35	Economic Activities NACE Rev. 2	Values at current prices (In ALL millions)		Values at previous year prices	Real growth (%)
		2012	2013*	2013*	2013*
A1	Agriculture, forestry and fishing	250,126	265,147	251,792	0.67
A2	Mining and quarrying	60,195	66,622	68,160	13.23
A3	Manufacture of food products, beverages and tobacco products	10,197	9,360	9,339	-8.41
A4	Manufacture of textiles, wearing apparel and leather products	17,446	19,347	19,061	9.26
A5	Manufacture of wood and paper products, and printing	6,286	5,213	5,257	-16.38
A6	Manufacture of coke and refined petroleum products	(2,140)	(231)	(216)	-89.91
A7	Manufacture of chemicals and pharmaceutical products	1,679	1,610	1,625	-3.20
A8	Manufacture of rubber and plastic products and other non-metallic mineral products	11,384	11,703	11,721	2.96
A9	Manufacture of basic metals and fabricated metal products, except machinery	10,726	12,287	12,628	17.72
A10	Manufacture of machinery and equipment	1,522	1,887	1,791	17.67
A11	Other manufacturing; repair and installation of machinery and equipment	4,400	4,518	4,355	-1.03
A12	Electricity, gas, steam and air-conditioning supply	22,298	27,795	30,388	36.28
A13	Water supply	4,953	5,054	4,941	-0.25
A14	Sewerage, waste management and remediation activities	4,720	4,970	5,288	12.04
A15	Construction	151,793	140,556	139,411	-8.16
A16	Wholesale and retail trade and repair of motor vehicles and motorcycles	7,907	7,620	7,500	-5.15
A17	Wholesale trade, except of motor vehicles and motorcycles	83,543	85,237	83,915	0.45
A18	Retail trade, except of motor vehicles and motorcycles	52,120	54,228	53,351	2.36
A19	Land transport and transport via pipelines	26,637	22,120	21,611	-18.87
A20	Water transport; air transport; warehousing	24,199	17,214	17,238	-28.77
A21	Postal and courier activities	5,333	4,666	4,667	-12.49
A22	Accommodation; food and beverage service activities	24,533	23,079	22,660	-7.63
A23	Publishing, audiovisual and broadcasting activities	10,924	9,895	9,757	-10.68
A24	Telecommunications	27,249	24,807	24,713	-9.31
A25	Computer programming and related activities; information service activities	3,561	2,500	2,457	-31.00
A26	Financial and insurance activities	32,133	30,359	32,676	1.69
A27	Real estate activities	79,883	86,402	87,158	9.11
A28	Legal and accounting activities; management, architectural and engineering activities	22,144	24,022	23,570	6.44
A29	Scientific research and development; other professional, scientific, technical activities	6,124	5,527	5,424	-11.44
A30	Administrative and support service activities	23,578	30,011	29,445	24.88
A31	Public administration and defence; compulsory social security	53,716	54,086	54,500	1.46
A32	Education	57,694	61,256	61,121	5.94
A33	Human health and social work activities	33,255	34,893	34,725	4.42
A34	Arts, entertainment and recreation	11,809	10,080	10,125	-14.26
A35	Other service activities; activities of households	12,818	14,431	14,224	10.96
	GVA at basic prices	1,154,747	1,178,271	1,166,376	1.01
	Taxes on product	179,559	175,651	184,596	2.81
	Subsidies on products	(1,494)	(3,368)	(3,332)	123.01
	GDP AT MARKET PRICES	1,332,811	1,350,555	1,347,640	1.11

2013* Semi-final data

Tab. 4 Gross Domestic Products by Expenditure Approach by current prices

GDP indicators	Value		Nominal growth rate (%)	GDP structure (%)	
	(In ALL millions)			2012	2013*
	2012	2013*	(2013/2012)		
Final Consumption	1.179.194	1.201.115	1,86	88,47	88,93
Final Consumption of the Households	1.032.478	1.052.092	1,90	77,47	77,90
Final Consumption of General Government	144.541	146.798	1,56	10,84	10,87
Individual consumption	70.533	72.307	2,52	5,29	5,35
Collective consumption	74.008	74.491	0,65	5,55	5,52
Consumption of NPISHs	2.175	2.226	2,35	0,16	0,16
Gross Fixed Capital Formation	353.044	350.085	-0,84	26,49	25,92
Change in inventories	24.522	42.733		1,84	3,16
Statistical discrepancy	24.424			1,83	
Net export	-248.372	-243.525	-1,95	-18,64	-18,03
Exports of goods and services (f.o.b)	444.514	478.759	7,70	33,35	35,45
Exports of goods	212.132	246.391	16,15	15,92	18,24
Exports of services	232.382	232.368	-0,01	17,44	17,21
Imports of goods and services (f.o.b)	692.887	722.284	4,24	51,99	53,48
Imports of goods	490.029	487.641	-0,49	36,77	36,11
Imports of services	202.858	234.643	15,67	15,22	17,37
GROSS DOMESTIC PRODUCT	1.332.811	1.350.555	1,3	100,00	100,00

2013* Semi-final data

Fig 2. Structure of GDP by expenditure approach, in %

Tab.5 Gross Domestic Products by Expenditure Approach by constant price

GDP indicators	Value (In ALL millions)		GDP at previous year prices (2013/2012)	Real growth (%) 2013*
	2012	2013*		
Final Consumption	1.179.193,6	1.201.115,2	1.197.543,1	1,6
Final Consumption of the Households	1.032.477,9	1.052.091,5	1.046.562,4	1,4
Final Consumption of General Government	144.540,9	146.797,6	148.742,7	2,9
Individual consumption	70.532,6	72.306,8	74.218,6	5,2
Collective consumption	74.008,2	74.490,8	74.524,1	0,7
Consumption of NPISHs	2.174,8	2.226,0	2.238,0	2,9
Gross Fixed Capital Formation	353.044,0	350.084,9	345.780,1	-2,1
Change in inventories	24.522,0	42.733,1	52.216,1	
Statistical discrepancy	24.423,7			
Net export	-248.372,3	-243.525,2	-247.898,8	-0,2
Exports of goods and services (f.o.b)	444.514,4	478.759,0	479.580,7	7,9
Exports of goods	212.132,1	246.390,6	246.186,0	16,1
Exports of services	232.382,3	232.368,3	233.394,7	0,4
Imports of goods and services (f.o.b)	692.886,7	722.284,2	727.479,5	5,0
Imports of goods	490.028,9	487.641,2	496.825,9	1,4
Imports of services	202.857,8	234.643,0	230.653,6	13,7
GROSS DOMESTIC PRODUCT	1.332.811,0	1.350.554,8	1.347.640,5	1,11

2013* Semi-final data

Information for Users

Methodology and classification

The GDP estimations are harmonised with concepts and definitions of European System of Accounts (ESA 2010) and System of National Accounts (SNA 2008). Both these methodologies are the latest updates of ESA 1995 and SNA 1993. The European System of National Accounts and Regional Accounts is the framework for the measurement of economic and financial activities of the economic system, their components and the links between them for a given period of time (usually quarterly up to one year). Transactions made by the economic agents related to other resident or non-resident units in an economic territory are object of measurements in National Accounts.

The classifications used in the National Accounts are as follow:

- Nomenclature of the economic activities REV.2 (NACE Rev.2).
- Nomenclature of Products by Activity (CPA);
- Classification of individual consumption by purpose (COICOP);
- Classification of the functions of the government (COFOG).

The classification of the economic activities NACE Rev.2 is essential for the production, compilation and the distribution of the statistics. This classification is revised several times to reflect the economic developments, technological and structural changes in the economy and to enable comparison and data connection at European level, also worldwide, as a part of an integrated system. The new classification NACE Rev.2 represents the highest levels of classification and new details that reflect different forms of production and emerging industries ([refer to Annex 1 for details about the two classifications](#))

The main changes brought by the new classification of economic activities, are as follows:

- a. Under the old classification (NACE Rev. 1) the activities of "Publishing, printing and reproduction of recorded media" correspond with the branch "Manufacture of wood, paper, furniture, printing and publishing". In the new classification (NACE Rev. 2) "Publishing activities" is included in the branch "Publishing, audiovisual and broadcasting activities" as a separate branch.
- b. In the branch "Construction" according to NACE Rev. 2 except of "Construction" activity in NACE Rev 1.1 which is included as so, are also included "Specialized construction works" which in NACE Rev. 1.1 was included in the branch "real estate activities".

- c. Postal and communication activities, corresponding to NACE Rev. 1.1, with branch "Postal and telecommunications", are detailed in two separate activities according to NACE Rev. 2, the branch "Postal and courier activities" and the branch "Telecommunications".
- d. "Sewage and refuse disposal, sanitation and similar activities" in NACE Rev.2 coincide with the branch "Other community, social and personal service activities" with NACE Rev 1.1. With the new classification this activity passed from services sector to the industry sector, as "Sewerage, waste management and remediation activities".
- e. Part of the "Trade" activities under NACE Rev 1.1, more concretely the "Repair of personal and household goods" has been transferred to branch "Other service activities, activities of households" according to NACE Rev. 2.

Data sources

Various statistical and administrative sources are used for the estimation of GDP. Data could be statistical products of INSTAT or administrative data from different national institutions such as Ministries, General Directorate of Taxes and Customs, National Registration Centre, Bank of Albania, Financial Supervisory Authority, National Agency of Natural Resources, etc. By comparing these sources with each other, it is obtained a clear picture of the economy which is comprehensive, consistent, coherent and fully integrated.

The statistical sources include data gathered from various records and surveys on entities or households, among which it could be mentioned: Business Register; Population and Housing Census; Structural Business Survey; Retail Trade Survey; Household Budget Survey; Labour Force Survey; Living Standard Measurement Survey; Price Statistics Survey, etc.

Administrative sources include administrative data collected by other institutions for various purposes, among which it could be mentioned: The annual financial statements; Value added tax (VAT); Monetary financial statistics; Balance of Payments; Government fiscal statistics; Foreign trade statistics; Data on electricity and energy products; etc.

Stage of publication and revision policies

Estimates of annual GDP pass through three stages of calculations and publications.

- The first stage is the preliminary estimate of annual GDP, by both methods, within eleven months after the end of the year (t+11) and is based on preliminary data sources of the annual Structural Business Survey and administrative sources.

- The second stage includes semi-final estimates of the annual accounts of the GDP for the year “t” within six months after the preliminary assessment (t+17). Semi-final calculations are based on data sources more complete and therefore almost entirely on direct methods.
- The third stage includes the final estimates of GDP for the year (t). In this third stage, when the data set of the year (t+1) is received, the data of the year (t) is reviewed once again in order to incorporate any changes made to the year (t) and to ensure the consistency of the two consecutive years. During this stage is performed the final balancing at product level between the two methods of GDP.

The published data are revised based on revision policies of the national accounts. The annual estimates of the GDP and its components are subject of two types of revisions: routine and major revisions.

Routine revisions:

The annual preliminary estimates on annual basis of the current year are available 11 months after the end of the reporting year (at the beginning of December of year t+1). Annual preliminary estimations are based on preliminary data of annual survey and other administrative sources. Preliminary results are revised after six months in order to obtain semi-final estimates. At the same time there are also revised the estimates of the previous year (t-1) in order to transform the estimates from semi-final to final.

Major revisions:

Major revisions are linked with incorporation of new statistical and administrative data sources; improvement of statistical techniques and methods of national accounts data compilation; changes in definitions, methods and classifications in international level, introduced by new System of National Accounts 2008 (SNA 2008) and European System of Accounts 2010 (ESA 2010).

Definitions

Gross Domestic Product (GDP): Gross Domestic Product at market prices, is the final result of production activity of productive resident units during a year. It is calculated in two approaches:

- **GDP according to production approach** is equal to sum of gross added values relevant to different kinds of activities, adding taxes and subtracting subsidies on products (not distributed to sectors or branches of a certain activity);
- **GDP according to expenditure approach** is equal to final domestic usage of products and services (final consumption, gross fixed capital formation, changes in inventories), plus exports, minus imports.

Output: production is an activity carried out under the control, responsibility and management of an institutional unit that uses inputs of labour, capital and goods and services to produce outputs of goods and services. The total of products created during the accounting period is considered as output. There are three types of output such as: market output; output produced for own final use; non-market output.

Intermediate consumption: Intermediate consumption consists of goods and services consumed as inputs by a process of production, excluding fixed assets whose consumption is recorded as consumption of fixed capital. The goods and services are either transformed or used up by the production services.

Gross Value Added: Gross Value Added represents the contribution of different activities in GDP and is calculated as the difference between the output and intermediate consumption.

Nominal GDP: measures the current market value of a country's gross domestic product.

Real GDP: measures the volume level of a gross domestic product after changes in prices have been taken into account. It is obtained by expressing values in terms of a base period or previous period prices.

Taxes on products and imports: Taxes on products are paid taxes per unit of some goods and services like the Value Added Tax, excise and customs' tax on imports.

Subsidies on products and imports: Subsidies on products are non-reverse payment made by public administration units to the companies in the form of a certain amount of money per unit of goods or services. Subsidies on imports consist in subsidies of goods or services payable when the product surpasses the border of economic territory or if the services were made to resident institutional units.

Final consumption: Final consumption is one of the basic components of GDP by expenditure method. It consists in goods and services used by separate families or communities and are calculated as the sum of final consumption of household, final consumption of general government and final consumption of non-profit institutions serving the households.

Final consumption of households: Final consumption of households' contains all goods and services directly used to fulfil the individual needs of resident families.

Final consumption of General government and Non Profit Institutions Serving Households (NIPSH): Is the value of non-commercial services ensured by General government and non-profit institutions to the profit of communities or groups of families. It is calculated as the difference between the general government production and NPISH s and their market production value.

Net Export: Net export is the difference between export of goods and services (fob) and import of goods and services (fob).

Gross fixed capital formation: Consists in expenses made to buy new capital or other specific expenses accomplished by resident producers in goods or services to maintain, increase or enlarge their productive activity or create new process conditions in the future.

Changes in inventories: Is defined as the difference between inventories of stocks in process and circulating assets by the end of the year and beginning of the other one. Inventories include raw material and others, products, works and services in process, not finished and finished goods, animals etc.

Basic prices: is the price receivable by the producer from the purchaser for a unit of a good or services produced as output, minus any tax payable and plus any subsidy receivable on product. It excludes any transport charges invoiced separately by the producer.

Market prices: is the price after adding taxes and deducting subsidies on products.

Current prices: Prices of reference period. They represent the price paid for goods and services during the time of production or consumption.

Constant prices: Estimation in constant prices represents the estimation in real terms, deflated with prices of a base year or of the previous year.

Annex 1. Correspondence table NACE Rev.1.1 – NACE Rev.2

Economic Activities NACE Rev.1.1	Economic Activities NACE Rev.2
Agriculture, hunting and forestry Fishing	Agriculture, forestry and fishing
Mining and quarrying of energy producing materials Mining and quarrying of except energy producing materials	Mining and quarrying
Manufacture of products based on cereals Other manufacture of food products	Manufacture of food products, beverages and tobacco products
Manufacture of textile and leather products	Manufacture of textiles, wearing apparel and leather products
Manufacture of wood, paper, furniture; publishing and printing	Manufacture of wood and paper products, and printing
Manufacture of coke and refined petroleum products	Manufacture of coke and refined petroleum products
Manufacture of chemicals, chemical products, rubber and plastic products	Manufacture of chemicals and pharmaceutical products
Manufacture of other non-metallic mineral products	Manufacture of rubber and plastic products and other non-metallic mineral products
Manufacture of basic metals and fabricated metal products	Manufacture of basic metals and fabricated metal products, except machinery
Manufacture of machinery and equipment	Manufacture of machinery and equipment Other manufacturing; repair and installation of machinery and equipment
Electricity and gas supply	Electricity, gas, steam and air-conditioning supply
Water supply	Water supply Sewerage, waste management and remediation activities
Construction	Construction
Trade	Wholesale and retail trade and repair of motor vehicles and motorcycles Wholesale trade, except of motor vehicles and motorcycles Retail trade, except of motor vehicles and motorcycles
Hotel and restaurants	Accommodation; food and beverage service activities
Transport	Land transport and transport via pipelines Water transport; air transport; warehousing
Post and communication	Postal and courier activities Telecommunications
Financial activities	Financial and insurance activities
Real estate and business activities	Real estate activities Publishing, audiovisual and broadcasting activities Computer programming and related activities; information service activities Legal and accounting activities; management, architectural and engineering activities Scientific research and development; other professional, scientific, technical activities Administrative and support service activities
Public administration and defence, compulsory social security	Public administration and defence; compulsory social security
Education	Education
Health	Human health and social work activities
Other community, social and personal service activities	Arts, entertainment and recreation Other service activities; activities of households